

**AMENDMENTS TO H.R. 4181**  
**OFFERED BY MR. RANGEL OF NEW YORK**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. EXTENSION OF INCREASED STANDARD DEDUC-**  
**2 TION FOR MARRIED TAXPAYERS FILING**  
**3 JOINT RETURNS.**

4 (a) IN GENERAL.—Paragraph (2) of section 63(c) of  
5 the Internal Revenue Code of 1986 (relating to basic  
6 standard deduction) is amended to read as follows:

7 “(2) BASIC STANDARD DEDUCTION.—For pur-  
8 poses of paragraph (1), the basic standard deduction  
9 is—

10 “(A) 200 percent of the dollar amount in  
11 effect under subparagraph (C) for the taxable  
12 year in the case of—

13 “(i) a joint return, or

14 “(ii) a surviving spouse (as defined in  
15 section 2(a)),

16 “(B) \$4,400 in the case of a head of  
17 household (as defined in section 2(b)), or

18 “(C) \$3,000 in any other case.”.

19 (b) CONFORMING AMENDMENTS.—



1           (1) Section 63(c)(4) of such Code is amended  
2       by striking “(2)(D)” each place it occurs and insert-  
3       ing “(2)(C)”.

4           (2) Section 63(c) of such Code is amended by  
5       striking paragraph (7).

6       (c) EFFECTIVE DATE.—The amendments made by  
7       this section shall apply to taxable years beginning after  
8       December 31, 2004.

9       **SEC. 2. EXTENSION OF INCREASED EARNED INCOME CRED-**  
10                           **IT FOR MARRIED TAXPAYERS FILING JOINT**  
11                           **RETURNS.**

12       (a) IN GENERAL.—Subparagraph (B) of section  
13       32(b)(2) of the Internal Revenue Code of 1986 is amended  
14       to read as follows:

15                       “(B) JOINT RETURNS.—In the case of a  
16       joint return filed by an eligible individual and  
17       such individual’s spouse, the phaseout amount  
18       determined under subparagraph (A) shall be in-  
19       creased by \$3,000.”

20       (b) EFFECTIVE DATE.—The amendment made by  
21       this section shall apply to taxable years beginning after  
22       December 31, 2004.



1 **SEC. 3. EXTENSION OF 15-PERCENT INDIVIDUAL INCOME**  
2 **TAX RATE BRACKET EXPANSION FOR MAR-**  
3 **RIED TAXPAYERS FILING JOINT RETURNS.**

4 (a) IN GENERAL.—Paragraph (8) of section 1(f) of  
5 the Internal Revenue Code of 1986 (relating to phaseout  
6 of marriage penalty in 15-percent bracket) is amended to  
7 read as follows:

8 “(8) ELIMINATION OF MARRIAGE PENALTY IN  
9 15-PERCENT BRACKET.—With respect to taxable  
10 years beginning after December 31, 2004, in pre-  
11 scribing the tables under paragraph (1)—

12 “(A) the maximum taxable income in the  
13 15 percent rate bracket in the table contained  
14 in subsection (a) (and the minimum taxable in-  
15 come in the next higher taxable income bracket  
16 in such table) shall be 200 percent of the max-  
17 imum taxable income in the 15-percent rate  
18 bracket in the table contained in subsection (c)  
19 (after any other adjustment under this sub-  
20 section), and

21 “(B) the comparable taxable income  
22 amounts in the table contained in subsection  
23 (d) shall be  $\frac{1}{2}$  of the amounts determined  
24 under subparagraph (A).”.



1 (b) CONFORMING AMENDMENT.—The heading for  
2 subsection (f) of section 1 of such Code is amended by  
3 striking “PHASEOUT” and inserting “ELIMINATION”.

4 (c) EFFECTIVE DATE.—The amendments made by  
5 this section shall apply to taxable years beginning after  
6 December 31, 2004.

7 **SEC. 4. BENEFITS EXTENSION NOT TO INCREASE FEDERAL**  
8 **BUDGET DEFICIT.**

9 (a) IN GENERAL.—Section 1 of the Internal Revenue  
10 Code of 1986 is amended by adding at the end the fol-  
11 lowing new subsection:

12 “(j) ADDITIONAL TAX ON HIGH INCOME TAX-  
13 PAYERS.—The amount determined under subsection (a),  
14 (b), (c), or (d), as the case may be, shall be increased by  
15 3.6 percent of so much of adjusted gross income as ex-  
16 ceeds \$1,000,000 in the case of individuals to whom sub-  
17 section (a) applies (\$500,000 in any other case).”

18 (b) EFFECTIVE DATE.—The amendment made by  
19 this section shall apply to taxable years beginning after  
20 December 31, 2004.

21 **SEC. 5. REPEAL OF SUNSET APPLICABLE TO BENEFITS EX-**  
22 **TENDED BY THIS ACT.**

23 Title IX of the Economic Growth and Tax Relief Rec-  
24 onciliation Act of 2001 shall not apply to the amendments  
25 made by sections 301, 302, and 303 of such Act.



1 **SEC. 6. BENEFITS OF ACT NOT DENIED BY REASON OF AL-**  
2 **TERNATIVE MINIMUM TAX.**

3 (a) **MINIMUM TAX.**—The amount of the minimum  
4 tax imposed by section 55 of the Internal Revenue Code  
5 of 1986 shall be determined as if sections 1, 3, and 5 of  
6 this Act had not been enacted.

7 (b) **CREDITS.**—In applying section 26(a)(1) of such  
8 Code, the amount referred to in subparagraph (B) thereof  
9 shall be reduced (but not below zero) by the amount of  
10 the reduction in the taxpayer's regular tax liability by rea-  
11 son of sections 1, 3, and 5 of this Act.

Amend the title so as to read: "A bill to amend the Internal Revenue Code of 1986 to permanently extend all marriage penalty relief including such relief in the earned income credit, to ensure that the alternative minimum tax does not deny those benefits, and to provide those benefits without increasing the Federal budget deficit by reducing the benefits of recent income tax rate reductions for individuals having incomes of more than \$1,000,000."

